

STATE OF NEBRASKA

DEPARTMENT OF INSURANCE

L. Tim Wagner
Director



Mike Johanns
Governor

MEMORANDUM

TO: Interested Parties

FROM: Beverly Creager, Licensing Administrator
Michael Boyd

DATE: October 29, 2003

RE: Viatical Settlement Broker and Provider Licensing

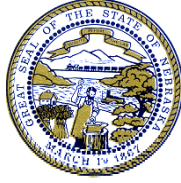
In 2001, the Nebraska Unicameral adopted the Viatical Settlements Act, Sections 27 to 42 of LB 52, which is now codified at Neb.Rev.Stat. §44-1101 et seq. Enclosed you will find the Nebraska Department of Insurance application forms for Viatical Settlement Broker, Viatical Settlement broker Entity, and Viatical Settlement Provider.

A viatical settlement broker or viatical settlement provider transacting business in Nebraska on or before July 1, 2002, may continue to do so pending approval or disapproval of the broker's or provider's application for a license so long as the application is filed with the Department by July 1, 2002.

A viatical settlement broker or broker entity must submit an application fee of \$40.00 with the application(s). A viatical settlement provider must submit an application fee of \$1,000.00 with the application. Please make checks payable to the Nebraska Department of Insurance.

A viatical settlement broker applicant is required to be licensed in Nebraska as a life insurance agent and must have proof of errors and omissions coverage. A viatical settlement provider must provide proof of financial responsibility in the amount of \$50,000 in the form of a surety bond, letter of credit, cash, securities or certificate deposit or a combination thereof.

If you should have questions regarding these application forms or other required information, viatical settlement brokers/entities should contact Beverly Creager, Licensing Administrator, and viatical settlement providers should contact Michael Boyd at 402/471-2201.



STATE OF NEBRASKA
DEPARTMENT OF INSURANCE
941 "O" Street
Lincoln, Nebraska 68508
(402) 471-2201
<http://www.nol.org/home/NDOI>

VIATICAL SETTLEMENT PROVIDER APPLICATION

Section I. General Information

Type of Entity Applying:

- _____ Individual
_____ Partnership
_____ Limited Liability Corporation
_____ Corporation

Applicant Name: _____

State of Domicile: _____

Home Office Address: _____

Contact Name: _____ Phone: _____

Federal ID Number: _____

Date Commenced Business: _____

Fees: Application Fee is \$1,000.00. Checks must be submitted with the application form and made payable to the Nebraska Department of Insurance.

Section II. Background Information

Except as otherwise indicated below, all of the following questions must be answered for every applicant. ATTACH A FULL EXPLANATION AND/OR THE REQUESTED INFORMATION FOR ANY YES ANSWERS.

1. Has the applicant ever had an application denied by any insurance regulatory authority? Yes _____ No _____

2. Has the applicant ever been placed under any type of regulatory supervision?
Yes _____ No _____
3. Has the applicant ever had a Certificate of Authority or license revoked or suspended by any regulatory authority? Yes _____ No _____
4. Has the applicant ever been subject to any regulatory action including cease and desist orders or similar actions? Yes _____ No _____
5. Has the applicant ever changed its name? Yes _____ No _____
6. Has the applicant ever redomiciled? Yes _____ No _____
7. Within the last five years, has the applicant undergone a change of ownership of 10% or more? Yes _____ No _____
8. Within the last five years, has the applicant merged or consolidated with any other entity? Yes _____ No _____
9. Is the applicant presently negotiating or inviting negotiations or party to a counterletter which would result in transfer or encumbrance of a substantial portion (more than 20%) of its assets or business? Yes _____ No _____
10. Is the applicant presently negotiating or inviting negotiations or part to a counterletter which would result in a change of ownership of 10% or more?
Yes _____ No _____
11. Does the applicant contemplate a change in management or any transaction which would normally result in a change of management within the reasonably foreseeable future? Yes _____ No _____
12. Is the applicant owned, operated or controlled, directly or indirectly, by any other state or province, district, territory, or nation or governmental subdivision or agency? Yes _____ No _____
13. Has any person who is presently an officer, director, partner, trustee, owner of 10% or more or other such person of the applicant ever been convicted of or pleaded guilty or nolo contendere to, or found liable of indictment or information in any jurisdiction charging a felony or misdemeanor other than minor traffic violations? Yes _____ No _____
14. Is the applicant currently engaged in an controversy with any state or federal regulatory agency? Yes _____ No _____

15. Is the applicant a defendant in any lawsuit asking for a judgment that is equal to or greater than 10% of the total assets of the applicant? Yes _____ No _____

Section III. Other Licenses

List all of the states in which applicant is currently licensed or was licensed to do business.

State _____	Licensed? _____	Date? _____
State _____	Licensed? _____	Date? _____
State _____	Licensed? _____	Date? _____
State _____	Licensed? _____	Date? _____
State _____	Licensed? _____	Date? _____

Section IV. List of Management and Owners

Below give the name, social security number, resident address, position and percent of ownership of all persons responsible for the conduct and affairs of the applicant. This list should include all officers, directors, partners (in the case of a partnership), trustees, executive committee members and/or any person(s) owning, directly or indirectly, five percent or more of the applicant and any other person who exercises control or influence over the affairs of the applicant. You may complete additional names on a separate page.

Name:	SSN#:
Address:	Position:
	Ownership Percentage:
Name:	SSN#:
Address:	Position:
	Ownership Percentage:
Name:	SSN#:
Address:	Position:
	Ownership Percentage:
Name:	SSN#:
Address:	Position:
	Ownership Percentage:

Name:	SSN#:
Address:	Position:
	Ownership Percentage:
Name:	SSN#:
Address:	Position:
	Ownership Percentage:

Section V. Required Exhibits

1. Certificate of Good Standing from State of Domicile. A copy of the domiciliary certificate of good standing, certified by the proper domiciliary official to be supplied only if viatical settlement providers are required to be licensed in the state of domicile of the applicant.
2. Plan of Operation which addresses the following items: (a) What markets does the applicant intend to target? (b) What geographical areas? (c) Who will produce business for the applicant and how will these people be trained? (d) What is the title projected Nebraska business over the next five (5) years? (e) Give a detailed description of the corporate organizational structure of the applicant, its parent company and all affiliates, (f) a detailed description of the steps taken by the applicant to ensure immediate access to viator funds, and (g) a detailed description of procedures used by applicant to keep all medical information confidential.
3. A copy of the articles of incorporation, partnership agreement, trust agreement or other organizations document of the applicant certified by the proper domiciliary official.
4. A copy of the by-laws of the applicant certified as true and correct by the appropriate person of applicant.
5. A copy of the anti-fraud plan which meets the requirements of Neb. Rev. Stat. §44-1112 (7).
6. The NAIC Biographical for each officer, director, partner (in the case of a partnership), trustee, executive committee members and/or any person(s) owning, directly or indirectly, five percent or more of the applicant and any other person who exercises control or influence over the affairs of the applicant.

7. A copy of the last CPA Audit and the latest Examination Report from the state of domicile. If the state of domicile is not required to examine your entity, please so state.
8. Please list all partners, officers, members, and employees of the applicant who will be acting as viatical settlement brokers, if any.
9. Proof of Financial Responsibility in the amount of \$50,000 in the form of a surety bond, letter of credit, certificate of deposit, or a deposit of cash or securities naming the Director of Insurance as obligee.

Section VI. Service of Process and Regulatory Complaint Information

1. Give the name and address of the Agent for Service of Process appointed by the applicant.

2. Give the name, address and phone number of the person responsible for handling or responding to regulatory complaints, application forms, or questions regarding the applicant's activities in this state.

3. Give the name, address and phone number of applicant's United States legal counsel, if applicant is an alien company.

Notarization

State of _____

County of _____

_____, personally appeared before me who, after being duly sworn, did depose and state that all information contained in this application and all attachments thereof is true, complete and correct.

Signature of Applicant or Authorized Representative

Sworn to and subscribed before me on this _____ day of _____,
20____.

Notary Public